Employees' Association to effect promotion from Clerical cadre within three months from the date of issue of the order;

(b) whether Government of India have honoured this direction of the High Court;

(c) if not, whether Government have asked the High Court for extension of time; and

(d) the reasons for not implementing the order for such a long period without taking the permission of the concerned High Court?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) No direction was given by the Patna High Court to effect promotion from clerical cadre within 3 months from the date of issue of the order. However, the Patna High Court n CWJC No. 8945 of 1991 made the following observations while disposing of the petition.

"In this view of the matter, this application is disposed of with the directio to the Central Government to lay down the policy decision as early as possible and preferably within 3 months from the date of receipt of a copy of this order. We however, hope and trust that as soon as the policy laid down by the Central Government is received by the sponsor bank and/or respondent bank the vacant posts shall be filled up in terms of the policy decision. This application is disposed of with the aforementioned direction."

(b) to (d) Government of India, under Section 29 of the Regional Rural Banks (RRBs) Act, is empowered to frame rules for the appointment of employees of the RRB. Draft Rules for promotion have been prepared and circulated to sponsor banks for their suggestions and comments. These rules are now under examination in consultation with the Ministry of Law.

The Standing counsel of the Union Government in the Patna High Court has been advised to bring the present position of the case to the notice of the Hon'ble High Court.

Evasion of Tax by MNCs

*573. SHRI SARADA MOHANTY:
SHRI CHIMANBHAI MEHTA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that MNCs in cosmetic toilet soap and detergent industries are resorting to under-pricing and are thereby evading impact of tax burden;

(b) whether it is also a fact that they are giving generous margins to dealers to the disadvantage of local manufacturers; and

(c) whether free market permits such unfair competition against local industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) to (c) The Central Excises & Salt Act provides for specific deductions and grant of trade discounts in accordance with the normal practice in the wholesale trade for determining the assessable value. Such deductions and trade discounts are allowable to all manufacturers of toilet soap and detergent without any discrimination.

It has been reported that a few manufacturers have claimed some deductions/ discounts which, prima facie, may be inadmissible. Such cases, as usual, are dealt with in accordance with the law.

Currency Fluctuation in World Market

*574. SHRI KRISHNA KUMAR BIRLA:
SHRI SURINDER KUMAR SINGLA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware about currency fluctuation in the world market;

(b) if so, whether Government propose to evolve machinism to protect the globalising developing economics from their adverse fall out; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) and (c) In a regime of floating exchange rates, which is the exchange rate regime followed by most countries today, currency fluctuations take place because of demand and supply factors. The volatility of exchange rates has been deliberated in various international fora in which India plays a significant role. At a commercial level, various techniques of managing foreign exchange exposure are available — such as, forward contracts and swaps.

Opinion given by SEBI on Public Issue

575. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether SEBI will give an opinion on every Public issue offered by Companies;

(b) if so, what kind of grading will be done; and

(c) if not, what service the SEBI will render to gullible investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) The Securities and Exchange Board of India (SEBI) has indicated that it has no proposal to give any opinion or grading on public issues offered by companies. The companies entering the capital market for raising funds are required to provide adequate disclosures in the prospectus regarding promoters backgrounds, their contribution to capital and lock in of their shares justification or price, objectives of the issue etc. The investors have to take decisions based on the material disclosures made in the prospectuses.

(c) The offer documents of companies for raising capital are vetted by SEBI and the observations made by SEBI are incorporated in the offer documents by the lead managers so that the investors get comprehensive information before taking a decision to subscribe to a particular issue. The lead managers are also required to submit a due diligence certificate to SEBI while submitting the draft documents for vetting. In addition, they enclose a list of documents checked by them to verify the contents of the offer documents.

After the public issue, the lead managers are required to submit certain reports which help SEBI monitor the despatch of refund orders/share certificates by companies in time and also monitor the timely listing of securities on the stock exchanges.

SEBI has constituted a 12 member committee to review the existing disclosure requirements and to recommend additional measures so that the disclosures assist in achieving investor protection.

Sound N Light Show at Shaniwarwada, Pune

*576 DR BAPU KALDATE: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government have received any project from the Government of Maharashtra for financial assistance for Son-ET LUMIERE (Sound and Light) show at Shaniwarwada and if so, the details thereof; and

(b) what decision Government of India have taken thereon?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b) The